Defendant's Exhibit X

LOUISIANA MINT COMPANY

STATEMENT CASH RECEIPTS & DISBURSEMENTS

MONTH OF DECEMBER, 1945

	CASH BALANCE - BEGINNING		$ 44,585.90
	RECEIPTS		
	Machines - Net	34,578.00	
	TOTAL		$ 79,163.90
	DISBURSEMENTS		
	Legal	$ 700.00	
	Accounting	300.00	
	Postage	5.32	
	Federal License	406.05	
	Rent	435.00	
*	Furniture & Fixtures	53.10	
**	Donations	295.00	
	Stationery & Printing	30.34	
***	Sundry Expense	1,005.79	
	Philip Kastel	1,000.00	
	Salaries	7,080.40	
	Machines	140.00	
	Shop Supplies & Expense	843.72	
	Auto & Truck Expense	35.74	
	Telephone	26.60	
	Envelope	72.22	
	Route Entertaining	186.42	
	Office Expense	23.57	
	Heat, Light & Water	44.41	
	TOTAL DISBURSEMENTS		12,675.68
	CASH BALANCE 12/31/45		$ 66,488.22

* Heater $ 41.10
Installation 12.00
$ 53.10

** American Red Cross $ 50.00
Protestant Home for Aged 45.00
T. P. Toll Fund 100.00
Memorial Monument 100.00
$ 295.00

*** Fence Material $ 45.79
Xmas Gifts-Employees 960.00
$ 1,005.79

Defendant's Exhibit X

LOUISIANA MINT COMPANY

STATEMENT OF PROFIT

MONTH OF DECEMBER, 1945

RECEIPTS		
Collections (Net after Commission)		$ 34,570.00
EXPENSES		
Legal	$ 700.00	
Accounting	300.00	
Postage	5.32	
Federal License	408.05	
Rent	435.00	
Donations	295.00	
Stationery & Printing	20.34	
Sundry Expense	1,005.79	
Salaries	7,080.40	
Shop Supplies & Expense	843.72	
Auto & Truck Expense	35.74	
Telephone	26.60	
Envelope	72.22	
Route Entertaining	186.42	
Office Expense	23.57	
Heat, Light & Water	44.41	
TOTAL EXPENSE		11,482.58
* NET INCOME		$ 23,095.42

* No provision for Depreci tion.

Defendant's Exhibit X

LOUISIANA MINT COMPANY

SUMMARY CASH RECEIPTS & DISBURSEMENTS

MONTH OF DECEMBER, 1945

RECEIPTS- Net		$ 34,578.00
Less:		
Salaries & Retainers	$ 9,088.40	
Expenses	3,402.18	
Furniture & Fixtures	53.10	
Machines	140.00	
		12,675.68
		21,902.32
Plus:		
Cash on Hand 12/1/45		44,585.90
		66,488.22
Less:		
Reserve for City Use Tax		2,500.00
CASH BALANCE AVAILABLE 12/31/45		$ 63,988.22

Defendant's Exhibit Y

LOUISIANA PIPE COMPANY

STATEMENT CASH RECEIPTS & DISBURSEMENTS

	Month of January 1946	12/1/45 thru 1/31/46
CASH BALANCE- Beginning	$ 66,488.22	$ 44,585.90
RECEIPTS		
Machines - Net	44,107.00	78,685.00
TOTAL	110,595.22	123,270.90
DISBURSEMENTS		
Legal	700.00	1,400.00
Accounting	300.00	600.00
Postage	5.00	10.32
Federal License	528.89	930.94
Rent	435.00	870.00
Furniture & Fixtures	--	53.10
Donations	--	295.00
Stationery & Printing	--	20.34
Sundry Expense	--	1,005.79
Philip Kastel	1,000.00	2,000.00
Salaries	6,637.50	13,717.90
Machines	439.30	579.30
Shop Supplies & Expense	847.06	1,690.78
Auto & Truck Expense	69.31	105.05
Telephone	30.13	56.73
Envelopes	72.21	144.43
Route Entertaining	225.00	411.42
Office Expense	45.87	69.44
Heat, Light & Water	64.12	108.53
Advertising	10.00	10.00
* Taxes	829.28	829.28
Equipment	61.54	61.54
TOTAL DISBURSEMENTS	$ 12,294.21	$ 24,969.89
	98,301.01	98,301.01
** Less: Distribution to Partners	45,000.00	45,000.00
CASH BALANCE 1/31/46	$ 53,301.01	$ 53,301.01

* State Unemployment Tax $ 368.07
Federal Unemployment Tax 324.89
Federal Old Age Benefit 136.32
$ 829.28

** December, 1945 $25,000.00
January, 1946 20,000.00
$45,000.00

Defendant's Exhibit Y

LOUISIANA MINT COMPANY

STATEMENT OF PROFIT

	Month of January, 1946	12/1/45 Thru 1/31/46
RECEIPTS		
Collections (Net After Commission)	$ 44,107.00	$ 78,685.00
EXPENSES		
Legal	$ 700.00	$ 1,400.00
Accounting	300.00	600.00
Advertising	10.00	10.00
Donations	-	295.00
Envlopes	72.21	144.43
Federal Licenses	522.89	930.94
Light, Heat & Water	64.12	108.53
Miscellaneous Expense	-	1,005.79
Office Supplies & Expense	45.87	69.44
Postage	5.00	10.32
Rent	435.00	870.00
Route etc. Expense	225.00	411.42
Salaries	6,637.50	13,717.90
Shop Supplies & Expense	847.06	1,690.78
Stationery, Supplies & Expense	-	20.34
Taxes	829.28	829.28
Telephone	30.13	56.73
Truck & Auto Expense	69.31	105.05
TOTAL EXPENSE	$ 10,793.37	$ 22,275.95
NET INCOME	$ 33,313.63	$ 56,409.05

* No provision for Depreciation.

Defendant's Exhibit Y

LOUISIANA MINT COMPANY

SUMMARY CASH RECEIPTS & DISBURSEMENTS

MONTH OF JANUARY, 1946

RECEIPTS- Net		$ 44,167.00
Less:		
Salaries & Retainers	$ 8,637.50	
Expenses	3,155.87	
Machines	439.30	
Equipment	61.54	
TOTAL DISBURSEMENTS		12,294.21
		31,812.79
Plus:		
Cash on Hand 1/1/46		66,488.22
		98,301.01
Less:		
Reserve for City Use Tax		2,500.00
		95,801.01
Less: Distribution to Partners		45,000.00
CASH BALANCE AVAILABLE 1/31/46		$ 50,801.01

Defendant's Exhibit Z

CHARLES B. MURPHY
Certified Public Accountant

KUNTZ BUILDING
328 BARONNE ST.

PHONE CANAL 5771 NEW ORLEANS 12

CHARLES B. MURPHY, C. P. A.

J. LAWSON GAGNET
ERROLL P. BROUSSARD
DANIEL W. B. MURPHY, M. A., E. E.

December 22, 1948

Mr. George Wolff
30 Broad St.
New York 4, N. Y.

In re: Mr. & Mrs. Frank Costello

Dear Mr. Wolff:

In reference to your letter of December 6, 1948 I beg to advise.

Mr. Frank Costello received the following from Beverly Country Club, Inc. in the year 1948.:

Payment on Loan	$ 16,819.51
Interest	3,114.52

As you know, the net assets of Crescent Music Co., Inc. were sold in the year 1948. According to the records Mrs. Costello had $22,000.00 worth of capital stock in the company and had loaned the company $26,285.79. This loan represents the amount of money originally loaned to the partnership plus an amount of $535.79 transferred from her capital account. In other words, when Crescent Music Co. was incorporated the books showed the following:

Capital account	$ 22,535.79
Loan account ½ of $51,500.00 or	25,750.00
Total	$ 48,285.79

Of this amount, $22,000.00 was applied to the purchase of capital stock and the remaining was a loan. Mr. McQueen and Mr. Kastel also had money in the Corporation.

The Corporation received $30,000.00 for the net assets and said $30,000.00 was distributed to the stock holders. I have applied this distribution against the loan account. Mrs. Costello received 40.86% or $12,258.00. The remaining went to Mr. Kastel and Mr. McQueen.

Defendant's Exhibit Z

Mr. George Wolff

Therefore, in my opinion, the difference in the loan account should be a loss on bad debts and the capital stock invested should be a capital loss.

A final return for Crescent Music Co., Inc. has not been filed as of this date.

I believe this will give you the information you want.

Best wishes for a very merry Christmas and a happy New Year.

Sincerely,

Chas B Murphy

CHARLES B. MURPHY,
CERTIFIED PUBLIC ACCOUNTANT

CBM/el.

Defendant's Exhibit EE

United States of America

TREASURY DEPARTMENT

WASHINGTON

April 19, 1940

PURSUANT to the provisions of Section 661, Chapter 17, Title 28 of the United States Code (Section 882 of the Revised Statutes of the United States), I hereby certify that the annexed is a true copy of the delinquent individual income tax return of Loretta B. Costello, 241 Central Park West, New York, New York, for the calendar year 1931.

on file in this Department.

IN WITNESS WHEREOF, I have hereunto set my hand, and caused the seal of the Treasury Department to be affixed, on the day and year first above written.

By direction of the Secretary of the Treasury:

~~F. A. Birgfeld~~

Chief Clerk, Treasury Department.

Treasury Departmental Stock Form 5947

U. S. GOVERNMENT PRINTING OFFICE 9—9018

Defendant's Exhibit EE

Form 1040
TREASURY DEPARTMENT
Internal Revenue Service

DELINQUENT
INDIVIDUAL INCOME TAX RETURN

FOR NET INCOMES FROM SALARIES OR WAGES OF MORE THAN $5,000
AND INCOMES FROM BUSINESS, PROFESSION, RENTS, OR SALE OF PROPERTY

For Calendar Year 1931

File This Return With the Collector of Internal Revenue for Your District on or Before March 15, 1932

PRINT NAME AND ADDRESS PLAINLY BELOW

Loretta B. Costello
(Name)

241 Central Park West
(Street and number, or Rural route)

New York (Post office) | New York (County) | New York (State)

Occupation

Do Not Write in These Spaces

File No. 617

Serial Number

District 8-New York
(Collector's District)

Cash | Check | M. O. | Cert. of Ind.
First Payment
$

1. Are you a citizen or resident of the United States? Yes
2. If you filed a return for 1930, to what Collector's office was it sent?
3. Is this a joint return of husband and wife? Yes
4. State name of husband or wife if a separate return was made and the Collector's office where it was sent
5. Were you married and living with husband or wife on the last day of your taxable year? Yes
6. If not, were you on the last day of your taxable year supporting in your household one or more persons closely related to you?
7. If your status in respect to questions 5 and 6 changed during the year, state date and nature of change
8. How many dependent persons (other than husband or wife) under 18 years of age or incapable of self-support were receiving their chief support from you on the last day of your taxable year? None

INCOME

	Amount received	Deductions paid (Elsewhere than in Schedule F)	
1. Salaries, Wages, Commissions, etc. (State name and address of employer)	$	$	
2. Income from Business or Profession. (From Schedule A)			
3. Interest on Bank Deposits, Notes, Corporation Bonds, etc. (except interest on tax-free covenant bonds)			
4. Interest on Tax-free Covenant Bonds Upon Which a Tax was Paid at Source			
5. Income from Partnerships. (State name and address)			
6. Income from Fiduciaries. (State name and address)			
7. Rents and Royalties. (From Schedule B)			
8. Profit from Sale of Real Estate, Stocks, Bonds, etc. (From Schedule C)			
9. Taxable Interest on Liberty Bonds, etc. (From Schedule F)			
10. Dividends on Stock of Domestic Corporations			
11. Other Income (including dividends on stock of foreign corporations). (State nature of income)			
(a)	17 600 00		
(b)			
12. TOTAL INCOME IN ITEMS 1 TO 11			17 600 00

DEDUCTIONS

13. Interest Paid	$	
14. Taxes Paid. (Explain in Schedule F)		
15. Losses by Fire, Storm, etc. (Explain in Schedule F)		
16. Bad Debts. (Explain in Schedule F)		
17. Contributions. (Explain in Schedule F)		
18. Other Deductions Authorized by Law. (Explain in Schedule F)		
19. TOTAL DEDUCTIONS IN ITEMS 13 TO 18		
20. NET INCOME (Item 12 minus Item 19)		17 600 00

EARNED INCOME CREDIT

21. Earned Income (not over $30,000)	$ 5000 00	
22. Less Personal Exemption and Credit for Dependents	3500 00	
23. Balance (Item 21 minus 22)	$ 1500 00	
24. Amount taxable at 1½% (not over $4,000)	$ 1500 00	
25. Amount taxable at 3% (not over $4,000)		
26. Amount taxable at 5% (balance over $8,000 of Item 23)		
27. Normal Tax (1½% of Item 24)	$ 22 50	
28. Normal Tax (3% of Item 25)		
29. Normal Tax (5% of Item 26)		
30. Surtax on Item 21		
31. Tax on Earned Net Income (total of Items 27 to 30)	$ 22 50	
32. Credit of 25% of Tax (not over 25% of Items 30, 44, 45, and 46)	$ 5 62	

COMPUTATION OF TAX (See Instruction 33)

33. Net Income (Item 20 above)		$ 17600 00	
34. Less: Liberty Bond Interest (Item 9)	$		
35. Dividends (Item 10)			
36. Credit for Dependents	3600 00		
37. Personal Exemption			
38. Total of Items 34 to 37		3600 00	
39. Balance (Item 33 minus 38)		14000 00	
40. Amount taxable at 1½% (not over $4,000)		4000 00	
41. Balance (Item 39 minus 40)		10000 00	
42. Amount taxable at 3% (not over $4,000)		4000 00	
43. Amount taxable at 5% (Item 41 minus 42)		6000 00	

44. Normal Tax (1½% of Item 40)	60 00
45. Normal Tax (3% of Item 42)	120 00
46. Normal Tax (5% of Item 43)	300 00
47. Surtax on Item 20 (see Instruction 28)	126 00
48. Tax on Net Income (total of Items 44 to 47)	606 00
49. Tax on Capital Gain or Loss (12½% of Col. 8, Sched. D)	
50. Total of or difference between Items 48 and 49	
51. Less Credit of 25% of Tax on Earned Income (Item 32)	5 62
52. Total Tax (Item 50 minus 51)	600 38
53. Less Income Tax Paid at Source	
54. Income Tax paid to a foreign country or U. S. possession	
55. Balance of Tax (Item 52 minus Items 53 and 54)	600 38

AFFIDAVIT

I swear (or affirm) that this return, including the accompanying schedules and statements, has been examined by me, and to the best of my knowledge and belief, is a true and complete return made in good faith for the taxable year stated, pursuant to the Revenue Act of 1928 and the Regulations issued thereunder.

See Instruction 37 (If return is made by agent, the powers therefor must be stated on this line.)

Sworn to and subscribed before me this 2nd day of August, 1932

Loretta B Costello
(Signature of individual or agent)

(Signature of officer administering oath)

(Address of agent)

An amended return must be marked "Amended" on face of return. Checks and drafts will be accepted only if payable at par.